



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

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FOR IMMEDIATE RELEASE

June 12, 2003

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**INDICTMENT CHARGES TWO EL PASO BUSINESSES AND NINE INDIVIDUALS
IN CONNECTION WITH MEDICARE FRAUD INVESTIGATION**

(El Paso, Texas) **United States Attorney Johnny Sutton, Special Agent in Charge Hardrick Crawford, Jr., Federal Bureau of Investigation, and Special Agent in Charge Linda Little, Department of Health and Human Services-Office of Inspector General** announced today that a federal grand jury has returned a 13-count indictment against Always Caring Home Care Services, Inc., Meridian Medical Supply, Inc. and nine individuals charging them with conspiring to pay and receive kickbacks for patient referrals and scheming to defraud Medicare through reimbursement claims.

In addition to the companies, the indictment charges Magdalene Ullrich-Allen (owner of Always Caring Home Care Services, Inc.), Jude Thomas Ullrich (Ullrich-Allen's brother and company chief financial officer), Nelda Sue Williams (registered nurse and Always Caring administrator), Connie Flahive (registered nurse and Always Caring administrator), Dr. Armando Beltran, Norma Boeta (Dr. Beltran's sister and his office administrator), Dr. Rafael Armendariz, Laura Valls (Dr. Armendariz' office administrator) and Jerome R. Ponicki (brother-in-law of Jude Thomas Ullrich and owner of Meridian Medical Supply, Inc.)

The indictment alleges that from 1993 to 2000, Always Caring used medicare reimbursements to pay expenses—rent and/or employee salaries—for Drs. Armendariz and Beltran in exchange for patient referrals.

Count one of the indictment charges Always Caring, Ullrich-Allen, Ullrich, Williams, Flahive, Beltran, Boeta, Armendariz and Valls with conspiracy to offer and pay, and solicit and receive illegal remunerations. Counts two through eight of the indictment charge Always Caring, Ullrich-Allen, Ullrich, Meridian Medical and Ponicki with conspiracy to make false statements and six substantive counts of making false statements. Counts nine through twelve charge Always Caring, Ullrich-Allen, Ullrich, Williams, Flahive, Beltran, Boeta, Armendariz and Valls with aiding and abetting to offer and pay illegal remunerations. Count thirteen charges Ponicki with obstruction for allegedly preventing federal investigators from viewing original canceled checks and failing to provide approximately 42 cancelled checks as requested by a federal grand jury subpoena. The indictment also includes a notice of criminal forfeiture. The government is seeking to forfeit \$7 million which represents the alleged proceeds derived from the fraudulent scheme.

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This case was investigated by the Federal Bureau of Investigation and the Department of Health and Human Services—Office of Inspector General. Assistant U.S. Attorneys Debra Kanof and Steve Garcia are prosecuting this case on behalf of the government.

An indictment is a formal accusation of criminal conduct, not evidence of guilt. A defendant is presumed innocent unless and until convicted through due process of law.

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